

DEPARTMENTAL BUDGET INFORMATION

WATER (41)

STATEMENT OF PURPOSE

The Water Department will help support the Mayor's vision to transform the government of the City of Detroit to the Next Detroit by applying the guiding principles of the Next Detroit, which means structural balancing by bringing costs in line with revenue, while improving services.

The Detroit Water and Sewerage Department (DWSD) will exceed our customer's expectations through innovative treatment and transmission of water and wastewater that promote healthy communities and economic growth.

DESCRIPTION

The Water Supply System is administratively part of the Detroit Water and Sewerage Department while maintained as a separate fund in the City of Detroit's accounting system. The department operates five water treatment plants and twenty-one booster (repumping) stations and twenty reservoirs. Of these five water plants, two plants are located in Detroit and one each is located in Allen Park, Dearborn and Port Huron. There are three sources of raw water supply -- Detroit River at Fighting Island, Detroit River at Belle Isle and Lake Huron north of Port Huron. DWSD's five water treatment plants pump an average of 675 million gallons of clean drinking water each day.

The Water Supply System's primary role is to provide potable water for over 4 million residents in Southeastern Michigan, delivered at various points in the system at adequate pressure to meet our customers' needs. The water provided is in conformance to applicable standards as required by Michigan's Safe Drinking Water Act. The department furnishes sufficient

water pressure and pipeline service to assure acceptable fire protection.

The water system serves a total population of nearly 4 million people in Detroit and in 125 other communities within a 1,011 square mile service area in southeastern Michigan. The main administrative offices are located at 735 Randolph in downtown Detroit. Approximately 3,400 miles of transmission and distribution mains within the City of Detroit, and 790 miles of transmission lines in the remaining service area are owned and maintained by the department.

MAJOR INITIATIVES FOR FY 2007-2008

The Detroit Residential Water Assistance Program was implemented to assist low-income Detroit residents manage their water and sewerage bills. The program is administered by the Department of Human Services.

The Flint Loop Transmission System project will provide for the study, design, and construction assistance of approximately 195,000 feet of 72-inch main. In addition, it will provide for a proposed pump station and reservoir.

The North Oakland Transmission System project will provide for the study, design and construction assistance of approximately 70,000 feet of 96-inch main. This work will also provide for the design of Romeo pump station with reservoir and a high ground reservoir along the route.

The Water Meter Replacement and Fixed Automatic Meter Reading Equipment Installation Contract (CM-2007) has begun. The Meter Operations Division is in the

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process of replacing all non-functioning and outdated water meters within the City of Detroit.

The replacement of the water meters will increase overall meter accuracy and greatly reduce meter maintenance cost over the next ten (10) years. The Fixed Network Reading System will allow DWSD to collect daily/hourly reads from every meter for consumption analysis.

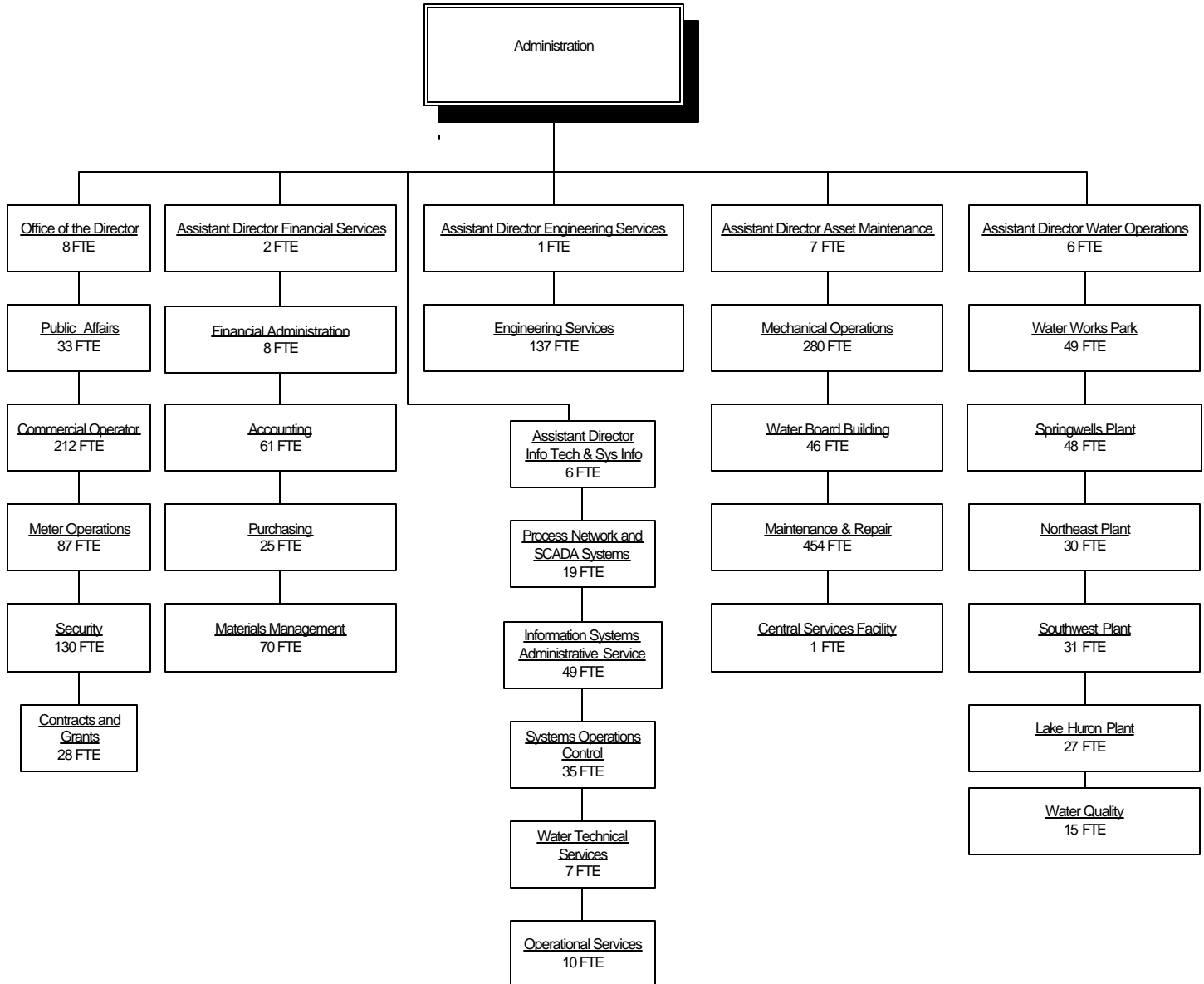
PLANNING FOR THE FUTURE

FY 2008-09, FY 2009-10 and BEYOND

Replacement of High Lift and Low Lift Pumping Units at Springwells Water Treatment Plant.

Program Management for Booster Stations and Reservoirs Rehabilitation and Inspection Repair.

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PERFORMANCE GOALS MEASURES AND TARGETS

Type of Performance Measure: List of Measures	2006-07 Actual	2007-08 Projection	2008-09 Target
Inputs: Resources Allocated or Service Demands Made			
Total hydrants in system	30,430	30,430	30,430
Number of water capital projects	105	118	78
Value of projects	96,729,000	164,806,000	205,870,000
Outputs: Units of Activity directed toward Goals			
Populations served – city	900,000	900,000	900,000
Populations served – suburban	3.3 million	3.3 million	3.3 million
Main leaks and breaks repaired	1,136	1,100	1,100
Fire hydrants repaired or replaced	5,696	1,100	1,100

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EXPENDITURES

	2006-07 Actual Expense	2007-08 Redbook	2008-09 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 46,555,746	\$ 42,695,854	\$ 40,765,696	\$ (1,930,158)	-5%
Employee Benefits	26,265,306	34,277,944	31,135,671	(3,142,273)	-9%
Prof/Contractual	110,546,229	30,643,985	32,087,198	1,443,213	5%
Operating Supplies	12,723,484	16,500,353	16,067,060	(433,293)	-3%
Operating Services	55,827,921	54,226,743	56,098,277	1,871,534	3%
Capital Equipment	3,617,600	7,509,000	7,509,000	-	0%
Capital Outlays	19,633	47,164	47,164	-	0%
Fixed Charges	100,977,249	133,906,800	148,722,200	14,815,400	11%
Other Expenses	(7,809,241)	14,422,780	15,943,064	1,520,284	11%
TOTAL	\$ 348,723,927	\$ 334,230,623	\$ 348,375,330	\$ 14,144,707	4%
POSITIONS	1,406	1,919	1,922	3	0%

REVENUES

	2006-07 Actual Revenue	2007-08 Redbook	2008-09 Mayor's Budget Rec	Variance	Variance Percent
Fines/Forfeits/Penalties	\$ 380,823	\$ -	\$ -	\$ -	0%
Rev from Use of Assets	35,287,277	16,582,500	13,136,400	(3,446,100)	-21%
Sales & Charges	281,548,683	317,216,263	333,189,586	15,973,323	5%
Sales of Assets	85,380	-	-	-	0%
Miscellaneous	(54,685)	431,860	2,049,344	1,617,484	375%
TOTAL	\$ 317,247,478	\$ 334,230,623	\$ 348,375,330	\$ 14,144,707	4%

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